



**CABINET FOR HEALTH AND FAMILY SERVICES  
DEPARTMENT FOR MEDICAID SERVICES**

**Ernie Fletcher**  
Governor

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**Mark D. Birdwhistell**  
Secretary

**Glenn Jennings**  
Commissioner

**MEMORANDUM**

**TO:** Holly Chesnut, FH  
Mary Rhodes, FH

**THROUGH:** John Hoffmann, Assistant Director  
Division of Claims Management

**THROUGH:** Carrie Banahan, Deputy Commissioner  
Department for Medicaid Services

**THROUGH:** Glenn Jennings, Commissioner  
Department for Medicaid Services

**DATE:** March 05, 2007

**SUBJECT:** Federal Poverty Level Indicator

Please print the attached provider letter on a single sheet of paper, front and back, and distribute to the following provider type: Pharmacy (54) Providers

Upon notifying DMS when the letter has been mailed, please include the total number of letters mailed to the providers.

Please contact us at 564-4321 should you have any questions.

**Attachment**

**Xc:** Ronji Dearborn; Sandeep Kapoor, DMS (electronic version); Kristy Taylor-Standifer, EDS (electronic version); DMS Division  
Directors: Holly Chesnut, FH (electronic version); Carl Ishmael, DMS (electronic version); Mary Rhodes, FH (electronic version);  
Yvette Winnette, DMS (electronic version)

GJ/CB/amd00188a



**CABINET FOR HEALTH AND FAMILY SERVICES  
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**Mark D. Birdwhistell**  
Secretary

**Glenn Jennings**  
Commissioner

March 6, 2007

**TO: All Pharmacy (54) Providers**  
**Provider Letter Number: A-476**

**RE: Federal Poverty Level Indicator**

*Dear KyHealth Choices Provider:*

The Deficit Reduction Act of 2005 mandates that members who are at or below 100% of the federal poverty level cannot be refused services for non-payment of co-pay amounts. This legislation applies to all Medicaid participating providers.

If a member is at or below 100% of the federal poverty level, a provider cannot refuse to provide services for non-payment of co-pay amounts. If the member is above 100% of the federal poverty level, a provider may refuse to provide services if this is the current business practice for all patients. However, if a member presents with a condition that could result in harm to the member if the condition is left untreated, the pharmacist must dispense a 72-hour emergency supply of each required medication. The member may later return to the pharmacy with the required cost sharing to obtain the remainder of the prescription(s).

Effective March 20, 2007, Kentucky Medicaid will add a poverty level indicator point of sale message. The message will read "Dispense Regardless of Co-Pay Collection". This message will signal the pharmacy that the member may not be refused services.

(Please see reverse side)

*KyHealth Choices* Provider

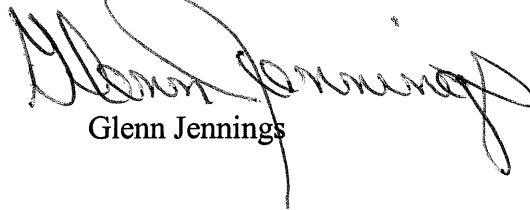
March 6, 2007

Page two

The co-pay amount will continue to appear for members with the poverty level indicator. This allows the pharmacist to collect the correct co-pay amount *if* the member has the ability to pay. The co-pay amount will continue to accumulate as part of the patient's annual out-of-pocket maximum regardless of whether or not it is collected.

If you have any questions regarding the usage of the poverty indicator, please call the Technical Call Center at 800-432-7005.

Sincerely,

A handwritten signature in black ink, appearing to read "Glenn Jennings", written over the printed name.

Glenn Jennings

Xc: Pharmacy (54) Providers  
Provider Letter Number: A-476

GJ/JH/NG/amd00188